Transilvania Investments

Conference Call for Investors and Analysts

August 19th, 2025, 12:00 p.m.

Mihaela: Good afternoon! Welcome to the Transilvania Investments Alliance conference for the presentation of the half-yearly financial results published at the Stock Exchange and on the company website on August 14th. The presentation will be held by Mr. Marius Moldovan, Executive President and Mr. Răzvan Raţ, Executive Vice-President. The presentation material presented during the conference is available on our website, www.transilvaniainvestments.ro, under Investor relations/Presentations. After presenting the financial results, you are invited to a Q&A session. Please be informed that this conference will be recorded, with the audio recording to be posted on our company's website in the Investor relations section. Moreover, please note that the personal data you have provided upon registration to this conference will be processed pursuant to the company's policy in this respect, which is also available on our website. To conclude, I would like to make a brief remark, namely that this presentation does not include any full or comprehensive financial or commercial analysis of Transilvania Investments, nor does it present its position or perspectives in a full or comprehensive way. It should not be deemed that it includes all the information required by a person interested in acquiring shares issued by Transilvania Investments for a full analysis of all issues covered by this presentation. We recommend for any person interested in acquisition to make any investment decision on the shares issued by Transilvania Investments or the companies in its portfolio to rely solely on the information from the official public reports of the company and of these related companies. The presentation may include forward-looking statements. However, such statements should not be deemed as warranties or forecasts of Transilvania Investments regarding the future expected results. The presentation is not intended as, nor should be deemed as a forecast of the company's future results. The company shall not be under any obligation to update any of the potential forward-looking statements. Having this said, Marius, you can take over from here.

Marius Moldovan: Thank you, Mihaela! I'm going to take over from here. The presentation comprises of two parts, namely the financial position and performance of Transilvania Investments as at June 30th, 2025 and the strategic objectives.

The financial position and performance as at June 30th, 2025, namely the summary of recorded results at the end of the first half of the year, the statement of financial position and the statement of profit or loss and other comprehensive income.

As a summary, the results recorded on June 30th, 2025 are on an upward trend as compared to the similar period of last year and they make us feel optimistic with respect to the current year.

In terms of income and expenses, net operating income are up by 32% compared to the similar period of last year, and higher by RON 43.5 million than the revenue and expenditure budget estimates for H1 2025. Regarding operating expenses, these amount to RON 15 million, namely 2.5% higher compared to the similar period of last year, but almost 30% lower than the revenue and expenditure budget estimates. Therefore, the net profit recorded at the end of the first half of the year amounts to RON 108.5 million, almost 47% higher than the net profit recorded on June 30th, 2024.

Compared to the estimated budget provisions, profit before tax is higher by almost 30% than the profit estimated for the entire year 2025.

Share price and discount, the share closing price, respectively, at the end of the year has been RON 0.3640, down by 2% compared to the similar period of last year and down by 3.2% compared to the end of the year, namely December 31st, 2024.

TRANSI share trading discount has reached 61%, the explanation being that the dynamic of the net asset value has been much higher than the share price dynamic, therefore the trading discount increased. Considering the price evolution to date, it is much higher than on the closing date of June 30th, 2025.

The asset portfolio went through an increase, being almost 3% higher than in the similar period of last year. On June 30th, total assets amounted to RON 2.121 billion. The net asset value is up by 3.2% compared to June 30th, 2024 and up by 8,3% compared to the end of 2024, namely, under absolute terms, on June 30th, amounting to RON 1,982 million. Based on the net asset value report of July 31st, the net asset value exceeded the psychological threshold of RON 2 billion, amounting to RON 2.15 billion.

The statement of financial position as at June 30th, 2025. Cash and cash equivalents amount to RON 105.7 million, compared to RON 18.5 million at the end of the year. Financial assets measured at fair value through profit or loss amounted to almost RON 750 million, increasing as compared to the end of the year. Government securities measured at fair value through profit or loss amount to approximately RON 102 million, decreasing as compared to RON 118 at the end of the year. Financial assets measured at fair value through other comprehensive income amount to approximately RON 1,140 million, compared to 1,027 million at the end of the year.

Financial liabilities amount to RON 56.12 million, and here we also include dividends, which shall be paid in October.

As I was saying, the total equity is increasing, amounting to RON 1,982 million compared to RON 1,830 million at the end of the year.

The next slide covers the Statement of Profit or Loss and Other Comprehensive Income as at June 30th, 2025. The structure of income, namely dividend income as at June 30th, 2025 is higher than in the similar period of last year, amounting to RON 58.7 million. Bank interest income amount to approximately the same amount compared to the similar period of last year. Interest income from government securities classified as financial assets at fair value through profit or loss are higher than in the similar period of last year. These amount to RON

2.3 million. The net gain on financial assets at fair value through profit or loss amount to almost double as compared to the similar period of last year, namely RON 61.3 million. Total net income amounts to RON 123 million compared to RON 93.2 million. Personnel benefit expenses are decreasing compared to last year by approx. RON 1 million. Commissions and fees expenses are in line with the expenses recorded in the similar period of last year. Operating expenses are higher by approx. 1 million. Overall, the total expenses are approximately identical, namely RON 15.12 million compared to 14.75 million in the similar period of last year. Net profit for the period, as I was saying, amounts to RON 108.52 million compared to almost RON 74 million last year. The total comprehensive income for the period amounts to RON 187.2 million, the result per share amounting to RON 0.0512 per share.

The next slide covers the cash flow evolution, namely the cash generated from the sale of equity investments, interests, maturity proceeds of government securities, dividends received, cashflow reduced with the purchase of equity investments, RON 112 million. The next amounts are lower: payments for suppliers, dividends paid from previous years, shares bought-back, RON 3.2 million. At the end of June 30th, 2025 we have a positive cash flow, amounting to RON 105 million.

The next slide covers the REB achievement related to the year 2025, namely achieved versus estimated. By estimated, we mean estimated throughout the year 2025, as well as for the first half of 2025. Dividend income is increasing, compared to the half-yearly budget, the gain on financial assets measured at fair value through profit or loss also higher than estimated. Personnel expenses are lower than estimated. Commissions and fees expenses are in line to the amounts estimated for the first half of the year. The total expenses made amount to RON 15 million as compared to the estimate of RON 21.3 million for the first half of 2025. This means that actual expenses made cover 33% of the estimated amounts for the entire year.

Next, we have an overview on strategic objectives of the fund, namely the strategy, net asset value and net asset value per share, portfolio structure, the evolution of TRANSI share and discount, as well as the investment and disinvestment activity.

Very briefly, the strategy adopted by Transilvania Investment Alliance for the interval 2024-2028 relies of 8 pillars, namely it is on a long and medium-term horizon. It is a balanced strategy, with a growth and yield component. It aims at restructuring the fund's historical portfolio in order to improve the fund's return profile under risk-conditions for the fund. We aim at ensuring a balanced shareholder remuneration policy, both through gains from dividends and, indirectly, through capital gains. We aim at reducing the trading discount and increasing the net asset value. Through our policies and through the fund's procedures, we also aim at enforcing ESG criteria. The company shall also integrate, in the future, sustainability-related risks in making its decisions regarding investments and shall also consider the negative effects of investment decisions on sustainability factors. Quantifying the strategy results is done by increasing the net asset value per share. A goal undertaken and approved by the management is increasing the net asset value by at least 6%, every year, and reducing the trading discount, every year, by at least 7%. All these have in view maintaining the medium risk profile of the fund, namely a medium risk, and maintaining our status as investment entity according to IFRS.

Next, we have the investment policy statement 2024-2028.

In practice, the strategy implementation, on the next slide, refers to the main strategic lines for business development, namely tourism, real estate, active trading and private equity.

On the next slide we have the evolution of the net asset value and of the net asset value per share. During January - June 2025, the net asset value increased by 8.3%, from RON 1.83 billion to RON 1.98 billion and, on July 31st, as I was saying, it already exceeded the psychological threshold of RON 2 billion. The net asset value per share, also under an upwards dynamic, reached the record value of RON 0.9374, up by 8.72% compared to December 31st, 2024.

The portfolio structure for financial instruments by business sectors. We stay focused, our biggest share in our portfolio being on the banking sector or holdings in the banking sector, namely 36.6%. The next sector with a significant share is travel and leisure, where the fund has historical equity investments, covering 23.2% of the portfolio. Financial services amount to 15.8%, the energy sector 8.3%, real estate 8.3% and government securities 5.1%.

In terms of types of financial instruments in our portfolio we have 83.4% listed shares, unlisted shares and equity interests 5.7% and equity holdings 4.5%.

The next slide covers the evolution of portfolio components during the first six months of 2025, namely the values reported at the end of the year, on March 30st, 2025 and June 30th, 2025. You can see the evolution, both for total assets and the net asset value. The number of companies in our portfolio is on a downward trend. At the end of the year, we had 64 companies in our portfolio, and in the first half of 2025 we had 58. This indicator that we are monitoring, among others, also refers to restructuring the portfolio, namely reducing the number of equity investments and focusing our investments on holdings that bring or may bring value.

The financial instruments portfolio (including cash) has an upward dynamic. The same applies for the financial instrument portfolio. On June 30th, cash and cash equivalent amounted to RON 106 million. In the first half of 2025, the total asset value increased by 10%, unannualized rate, and the net asset value, as I was saying, had an increase of 8.3%.

The top 10 holdings as at June 30th, 2025. The most important holdings, classified based on their importance, are Banca Transilvania, with a share of 22.38% of total assets, followed by BRD, with 10.42%, Turism Felix 9.66%, OMV Petrom 6.7%, Evergent Investments 6%. Ranking sixth, we have the private equity holding registered in Luxembourg, CEECAT Fund II, with 4.25%. The next position is held by Aro-Palace 4.19%, followed by Turism, Hoteluri, Restaurante Marea Neagră 3.13%, Feper SA 2.6% and Casa Albă Independența 2.14%. In total, the top 10 holdings cover almost 71.5% of the total assets and the total financial instruments portfolio accounts for 93.85% of total assets.

I’m going to give the floor to my colleague, Răzvan.

Răzvan Raț:

Thank you, Marius! I will continue by presenting the financial instrument portfolio variation. We can notice that the financial instrument portfolio has increased, in the first half, from RON 1.87 billion to approx. RON 2.09 billion. This was an increase of RON 216 million, namely a positive impact of 11.5%. Please note that the evolution is determined based on the difference between the fair value of financial instruments in the portfolio recorded on the reference date of June 30th, 2025 compared to the initial date, December 31st, 2024, to which we add the result generated from transactions carried out with such instruments, as well as the corresponding cash flows, including dividends collected and the amounts obtained from sales of stakes. The shares sub-portfolio has generated the biggest profit, namely RON 206.8 million, approximately 95% of the total, government securities RON 3.6 million and equity holdings RON 4.2 million.

The financial instruments portfolio variation classified by sectors. We can notice that the main sectors with positive adjustments were the banking sector, + RON 106 million, financial services RON 62 million, travel and leisure RON 60 million and energy RON 21 million. Well, it is natural to have here the sectors with the biggest adjustments, considering the focus of our portfolio on such sectors. For instance, the banking sector, having the biggest share, covers around RON 730 million in the portfolio and financial services with around RON 300 million.

The evolution of shares in the first six months of the year. The minimum closing price was RON 0.32, while the average price was RON 0.36. The trading volume in this period was RON 40 million and we had a daily average trading volume of 338 thousand shares/session, downward as compared to the volume in the first half of last year. We want to improve the liquidity of TRANSI shares and we also want to reduce the trading discount. We have entered into an Issuer's Market Maker contract for services with an agent, in order to reach this goal, and recently, on May 16th, we started the first stage of the share buy-back program approved by the EGMS of March 2025. Under this stage we aim at buying-back 40 million shares, for purposes of reducing the share capital. Considering the price evolution, compared to the prices at the beginning of the year, TRANSI shares had a downward evolution, with the closing price on the last day of this half of year being almost 3.2% lower than the one recorded at the end of 2024, but considering today's price it recovered the decrease and now has a positive value as compared to the closing price at the end of the year.

The evolution of trading discount, as Marius was mentioning earlier, the discount has increased due to the positive evolution of the net asset value per share, whereas the price remained at a standstill from the beginning of the year. It recovered a bit lately. Currently, the discount is around 61% compared to the net asset value.

If we take a look at the analysis of the TRANSI shares trading discount in terms of portfolio holdings, market capitalization amounts to RON 769 million. Considering to the top 10 holdings in the portfolio, even so, plus the cash considered from the fund, the discount is 53%. If we look at the main holding, the banking sector, and we also consider the cash at the end of the first half, we would finally notice that the banking sector plus cash is almost equivalent to market capitalization. There is a very small difference, without our other holdings from the portfolio.

Moving on to investments made in the interval January-June 2025, within the long-term portfolio, we acquired shares issued by Evergent Investments amounting to RON 63.7 million. After this acquisition, our stake reached 9.27% of the company's share capital and, after the issuer's share capital decrease, by cancelling shares, we hold 9.46%. In addition to the acquisitions on the Romanian capital market, within the long-term portfolio, we acquired holdings in CEECAT Funds II amounting to EUR 460 thousand. Within the short-term portfolio, we made investments amounting to RON 47 million, in the first 6 months, consisting of acquisitions of shares issued by Banca Transilvania, Premier Energy, OMV Petrom, BRD and DIGI.

Regarding disinvestments, the sales carried out in the same period, within the long-term portfolio, cover RON 46.6 million, and mainly consisted of marking profit in the case of the issuer BRD, as well as the sale of entire stakes held in Electrica, Romgaz, Fondul Proprietatea and Holde Agri Invest.

Regarding the FVTPL portfolio, on a short-term, sales amounting to RON 69.7 million were carried out. Profit markings were initiated for the issuers Banca Transilvania, OMV Petrom, Romgaz, Medlife and BRD.

Additionally, we also participated in the public purchase tender for the issuer Turism, Hoteluri, Restaurante Marea Neagră.

This would be all we prepared for today. If you have any questions, please do not hesitate to ask, if not, thank you for your participation.

Marius Moldovan: If there are no questions, we just wanted to thank you for being here and see you at the Invertor's Day!

Mihaela: You will receive the event details as soon as possible.

Marius Moldovan: Thank you.

Mihaela: Thank you so much! Have a great day!